NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid-Up With 640 Acres Pooling Provision

### PAID-UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AGREEMENT is made this 9th day of February, 2010, by and between Cynthia Verne, whose address is 34274 Deergrass Way, Lake Elsinore, CA 92532, as Lessor, and CHESAPEAKE EXPLORATION, LLC., an Oklahoma limited liability company, whose address is P.O. Box 18496, Oklahoma City, Oklahoma 73154-0496, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described land, hereinafter

Lot 12, Block 1, in Longhorn Village, an Addition to the City of Crowley, Tarrant County, Texas, according to the Map/Plat thereof recorded in Cabinet A, Slide 9481; being a portion of the J W Haynes Survey, A-775 and a portion of the A B Fryrear Survey, A-535.

in the County of TARRANT, State of TEXAS, containing 0.27000 gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the abovedescribed leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less

- 2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of three (3) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

  Option: Lessee shall have the right to extend the primary term of this lease for an additional two (2) year period by paying the Lessor the equivalent of the same lease bonus
- 3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's 3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be twenty percent (20%) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casing head gas) and all other substances covered hereby, the royalty shall be twenty percent (20%) of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of either producing oil or gas or other substances covered hereby in paying quantities or such wells are withing on hydraulic fracture stimulation, but such well or wells are either shut-in or

- develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or lands pooled therewith, or not provided herein.

  6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not stimular pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion to all not exceed 640 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion to completion shall not exceed 540 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion to completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion or passing or density pattern that may be prescribed or permitted by any governmental authority, or, if no definition is so prescribed, "oil well" man as well with an initial gas-oil ratio of 61s sets than 100,000 cubic feet per hard and "gas well" means a well in which with an initial gas-oil ratio of 100,000 cubic feet or more per hard, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" mens a well in which the horizontal compens of the test post some production and the production of the control production, and the production which the normal production of the control production and the production which the necessary of the sease of the production and the production which the necessary of the production and the production of the lease of production, or in the p

#### Page 2 of 6

- 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.
- 11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.
- 12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.
- 13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so
- 14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the lead and available and consideration of this leads. nd and survive any termination of this lease.

with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties or hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners. transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)

Cynthia Verne

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State of California County of Orange	
on 5th March 2010 before me,	Mark Ray Nodery Public (insert name and title of the officer)
personally appeared Cyn thia Ruse who proved to me on the basis of satisfactory eviden	Vene
who proved to me on the basis of satisfactory evider subscribed to the within instrument and acknowledg his/her/their authorized capacity(ies), and that by his person(s), or the entity upon behalf of which the per	ed to me that he/she/they executed the same in s/her/their signature(s) on the instrument the

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature \_/

(Seal)

MARK RAY COMM. # 1726405
NOTARY PUBLIC-CALIFORMA
CONTRA COSTA COUNTY
MY COMM. EXP. FEB. 23, 2011

## **Affidavit of Death and Heirship**

The State of Wilton	
County of UVANS	
Before me, the undersigned authority, on this day personally appeared <u>Cynthia Verne</u> , ("Affiant"), who being first duly sworn, upon her oath states:	),
<ol> <li>My name is Cynthia Verne, and I live at <u>34274 Deergrass Way, Lake Elsinore, CA 92532</u>. I am over the a of 18 years, and I am personally familiar with the family and martial history of John D. Verne ('Deceder and I have personal knowledge of the facts stated in this affidavit.</li> </ol>	
2. Decedent died on or about the day of florully in 3008  REUCISIAL County, At the time of Decedent's death he was a resident of	
3. The Decedent was married to Cynthia Verne, to this marriage was born children: Sean Verne, Bryon Verne, Evic Verne	
have any other children, nor did he ever adopt any children or take any children into his home to rise.  4. Decedent died testate / (intestate) (please circle one), leaving as his sole heirs at law:  1	ot
<ol> <li>To the best of my knowledge, all debts of the estate of Decedent have been settled.</li> <li>To the best of my knowledge, Decedent died seized and possessed of an interest in the oil, gas and other minerals underlying in: Lot 12, Block 1, in Longhorn Village, an Addition to the City of Crowley, Tarran</li> </ol>	t
County, Texas, according to the Map/Plat thereof recorded in Cabinet A, Slide 9481; Being a portion of the J.W. Haynes Survey, A-775 and a portion if the A.B. Fryrear Survey. Containing .27000 acres more less.	
IGNED this day of	
Affrant: Cynthia Verne	

#### **ACKNOWLEDGMENT**

	State of California County of
	on 5th March 2010 before me, Mark Ray Notary Public (insert name and title of the officer)
	personally appeared Cynthia Rose Verne
f =	who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
	I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
	WITNESS my hand and official seal.  MARK RAY Comm. # 1726405 NOTARY PUBLIC-CALIFORNIA CONTRA COSTA COUNTY
	Signature (Seal)

## AND SUBSECTION OF THE PROPERTY OF THE PROPERTY

CERTIFICATION OF VITAL RECORD

# **COUNTY OF RIVERSIDE**

RIVERSIDE, CALIFORNIA

	STATE FILE NUMBER  1. NAME OF DECEDENT — FIRST (Given)  JOHN	2. MIGDLE: DOW	PRASARES, WHITEOUTS OR ALTERATIONS  3. LAST (Family)  VERNE	LOGAL REGISTRATIO	N NUMBER					
DECEDENT'S PERSONAL DATA	AKA ALSO KNOWN AS Include full AKA (FIRST, MIDDL)	, (AST)	4 DATE OF BIRTH miniddropy 5 AGE YIS 01/24/1951 57	IF UNDER ONE YEAR  Aonths Days	IF UNDER 24 HOURS 6. SEX Hours Minutes M					
S PERSO	CA 551-8		No UNK MARRIED (	DATE OF DEATH INMINISTRATE DE LA 12008	76cyy 8. HOUR (24 Hours) 1402					
CEDENT	HS GRADUATE VES	IT HISPANICALATINO(A)/SPANISH? (# 1965: 866*)	X NO WHITE	de <sub>Propo</sub> nialisto III. a In Suit Allendario	2000 hours and 100 miles 2000 heads at 12 miles					
H	17. USUAL OCCUPATION — Type of work for most of life. D SALES	CAR	OF BUSINESS OR INDUSTRY (e.g., ginocery store; road constructions.	n, employment agency, alc	30					
USUAL RESIDENCE	20. DECEDENT'S RESIDENCE (Street and ournier or location) 34274 DEERGRASS WAY									
200 10 10 10	21-OTY LAKE ELSINORE	22.COUNTY/PROVINCE RIVERSIDE	23. ZIP CODE 24. YEARS IN COUNTY 92.532 1	CA						
MANT.	28. INFORMANTS NAME, RELATIONSHIP CINDY VERNE, WIFE		27 INFORMANTS MAILING ADDRESS (Street and number of rural 34274 DEERGRASS WAY, LAKE	rouse number, city or town, ELSINORE, C	stete, 21P) CA 92532					
N AN	28 NAME OF SURVIVING SPOUSE — FIRST  CYNTHIA	POSE	No cast (Made Numbe) HUNTER	100 H 100 100 H 100 100 H 100 H						
SPOUSE AND PARENT INFORMATION	31. NAME OF FATHER — FIRST  JOHN	32 MIDDLE ANGELO	VERNE		34. BIRTH STATE					
2 2 3 3	SS NAME OF MOTHER FIRST GRACE	36. MIDDLE	37 LAST (Molder), VERNE		38 BIRTH STATE  CA					
TRAR	02/20/2008   34274 D	ALDISPOSITION RES. CINDY EERGRASS WAY, LAKE	E ELSINORE, CA 92532							
LOCAL REGISTRAR	41. TYPE OF DISPOSITION(S)  CR/RES	TINA D	EHAAN .	<i>l 10</i>	43. LICENSE NUMBER EMB8346					
200	44. NAME OF FUNERAL ESTABLISHMENT ENGLAND FAMILY MORTUAL	The state of the s	### # SIGNATURE OF LOCAL REGISTRAR  • ERIC K. FRYKMAN, M.D.	<b>FO</b>	47. DATE mm/dd/scyy 02/19/2008					
PLACE OF	CORONA REGIONAL MEDICA		IP X ER/OP DOA HO	THER THAN HOSPITAL S spice Nursing Home/LTC	Decedent's Cub-					
	RIVERSIDE 800 S.I	ADDRESS OR LOCATION WHERE FOLKING (S MAIN STREET	MINIPANA DI PAN	CORON						
	107. CAUSE OF DEATH Enter the chain of as cardisc arrest, as cardisc arrest, as cardisc arrest, (Final disease or condition resulting	Time interval Between Onset and Death  (A1)  MINS	TOR DEATH REPORTED TO CORONE    X   YES							
<b>.</b>	Sequentially, list conditions, if any,	In death) Sequentially, Ref								
CAUSE OF DEATH	CAUSE (disease or DISEASE	AND ATHEROSCLERO	OTIC CARDIOVASCULAR	YRS	110 AUTOPSY PERFORMED?  X YES NO					
CAUSE	initiated the events (D) resulting in death) LAST			ю (	11)/USED IN DETERMINING CAUSE  X YES NO					
0.575 1504 1507	112 OTHER SIGNIFICANT CONDITIONS CONTRIBUTING NONE		SERVICE CONTRACTOR OF SERVICE	elio po sa						
	113. WAS OPERATION PERFORMED FOR ANY CONDITION		alion and Ogie.)	1134	F FEMALE, PREGNANTIN LAST YEAR YES NO UNK					
RTIFICATION	114. I CERTIFY THAT TO THE BEST OF MY KNOWLEDGE DEATH OC AT THE HOUR, DATE, AND PLACE STATED FROM THE CAUSES STAT Decedent Attended Since Decedent Last Seen (A) multidicepy (B) mm/dd/ccyy	ED.	RTPER	118. LICSINSE NUMB	ER   117 DATE min/dd/coyy					
9	119. I CERTIFY THAT IN MY OPINION DEATH OCCUPRED AT THE HO MANNER OF DEATH Natural Accident	UR DATE AND PLACE STATED FROM THE CAUSES S Homicide Suncide Pending Investigation	Could not be	121 INJURY DATE A	nm/dd/ocyy 122. HOUR 124 Hou					
STAME:	AANNER OF DEATH A Natural Accident Homicide Suicide Transay determined YES NO UNK  [23, PLACE OF INJURY (e.g., nortie, construction site wooded area, etc.)									
R'S USE	124. DESCRIBE HOW MURY OCCURRED (Events which in	stiffed in injury)								
CORONER'S USE ONLY	125. LOCATION OF INJURY (Street and number, or location,	and city, and ZIP)								
	18. SIGNATURE OF CORONER / DEPUTY CORONE									
STAT		In In	01200B0007353B4*	FAX AUTH. #	CENSUS TRAC					

CERTIFIED COPY OF VITAL RECORDS

STATE OF CALIFORNIA COUNTY OF RIVERSIDE SS

DATE ISSUED

This is a true and exact reproduction of the document officially registered and placed on file in the office of the County of Riverside,

Department of Health.

Feb 25, 2008 Eric Frykman, M.D., Local Registrar RIVERSIDE COUNTY, CALIFORNIA



This copy not valid unless prepared on engraved border displaying seal and signature of Registrar.



#### SUZANNE HENDERSON

**COUNTY CLERK** 



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

**TURNER OIL & GAS PROPERITES** 1314 LAKE ST STE 202 **FT WORTH, TX 76102** 

Submitter: TURNER OIL & GAS PROP, INC.

### **DO NOT DESTROY** WARNING - THIS IS PART OF THE OFFICIAL RECORD.

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Filed For Registration:

4/19/2010 2:54 PM

Instrument #:

D210089870

LSE

**PGS** 

\$32.00

Denluca

D210089870

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: CAMADDOCK